

MARVIN MANDEL, Governor

3097

retail sales tax act, the transfer of ~~[[assets]]~~
assets of a sole proprietorship or a partnership to
a newly-created corporation in return for stock of
the corporation.

May 31, 1974.

Honorable John Hanson Briscoe
Speaker of the House of Delegates
State House
Annapolis, Maryland 21404

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the
Maryland Constitution, I have today vetoed House Bill
126.

The title of the bill indicates that its purpose is
to provide an exemption from the Retail Sales Tax Act for
the transfer of assets of a sole proprietorship or a
partnership to a newly-created corporation in return for
stock of the corporation. In the legislative process,
the bill was amended to provide exemptions for six
specific capital transactions. These exemptions are not
reflected in the title of the bill and therefore make it
unconstitutionally misleading.

The Attorney General has advised me that House Bill
126 is in contravention of Article III, Section 29 of the
Maryland Constitution and for that reason is
unconstitutional. A copy of the Attorney General's
Opinion is attached to and should be considered a part of
this Message.

For this reason, I believe that House Bill 126 must
be vetoed.

Sincerely,
/s/ Marvin Mandel
Governor

Letter from State Law Department on House Bill 126

May 29, 1974.

The Honorable Marvin Mandel
Governor of Maryland
State House
Annapolis, Maryland 21404

Re: House Bill 126

Dear Governor Mandel:

House Bill 126 in its introductory form was titled